



## Holt County FSA Office

118 W Davis St.  
Mound City, MO 64470

660-442-3134 Phone  
660-442-5376 Fax

### Hours

Monday - Friday  
8:00 a.m. - 4:30 p.m.

What a drastic difference we have seen in one county alone. While the Missouri river bottom is over flowing with flood waters the remainder of the county is facing the possibility of seeing bumper crops due to the timely rainfalls. Those affected by the flooding are ready for the waters to recede so that the rebuilding process can begin. At FSA our goal is to be as prepared as possible by having programs in place so that when the water recedes, we can make the necessary assessments and implement the programs as efficiently as possible. Below are two articles, one that lists available disaster programs administered by FSA and the second is about the Emergency Conservation Program (ECP). If you feel that any of these programs could help you and even if you are not sure, please don't hesitate to contact the office and we will be happy to discuss your individual situation. County Office Trainee, Eric Redden will also be an asset to Holt County in assisting and implementing the imperative programs that FSA has to offer.

Wendy Tubbs

## August 2011

### County Office Staff

Wendy Tubbs,  
**Acting County  
Executive Director**

Eric Redden  
**County Office Trainee**

William R. Dreyer,  
**Farm Loan Manager**

Roger Uptergrove,  
**Farm Loan Officer**

Kami Hubach  
Kim Meyer  
Marci Geib, Temp  
**Program Technicians**

Mark Buntz  
Stan Seitz  
**Field Assistants**

Karl Noellsch  
Karen Ingram  
Dean Johnson  
**County Committee**

Jim Nance  
**District Director**

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[www.fsa.usda.gov/mo](http://www.fsa.usda.gov/mo)

### Disaster Assistance

The Farm Service Agency would like to remind crop and livestock producers throughout Holt County that have recently experienced severe damage from flooding, that FSA programs are available to assist with recovery. FSA administers several important programs that help producers recover from disaster damage and livestock deaths. Among the key programs available to address impacts from disasters are the Emergency Conservation Program (ECP), the Livestock Indemnity Program (LIP), and Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP), the Emergency Loan (EM) Program, the Noninsured Disaster Assistance Program (NAP) and the Supplemental Revenue Assistance Program (SURE). Fact sheets for all of these programs can be found at [www.fsa.usda.gov](http://www.fsa.usda.gov); click on Newsroom, then Fact Sheets. We encourage all who have suffered a disaster due to the recent flooding conditions to read the fact sheets and visit the FSA county office so they can get a quick start in the recovery process.

### Emergency Conservation Program (ECP) – 60 Day Sign-Up Period Ends October 7, 2011

The Holt County Committee has requested and been approved to implement the Emergency Conservation Program (ECP) beginning August 9, 2011. ECP is a cost-share program designed to assist landowners with the rehabilitation of farmland so that it can be returned to pre-disaster condition. The program assists with debris removal, sand removal, shaping and grading and private drainage ditch cleanout. It also assists with fence repair if the fence is being used to contain livestock. To apply, landowners or persons paying for the cost of restoration must submit an application that indicates which farms will need assistance. To qualify, the cost to repair the farmland must exceed \$2,500 per person and be of such a magnitude that it would be too costly for the producer to rehabilitate without Federal assistance. The damage must have been caused by the natural disaster (flood) and must not have been a pre-existing condition.

Once application is made and the water has receded, a field visit will be made to make onsite eligibility determinations for assistance and then each application will be approved / disapproved by the County Committee on a case by case basis. **Note:** land between the levee and river is not eligible, drainage ditches maintained by a drainage district do not qualify and levee repair does not qualify. Sign-up for the program lasts 60 days and will end on October 7, 2011. **Work cannot begin until the field visit has been completed.** Contact the office for further details.

### **Farm Storage Facility Loan Program**

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities. The maximum principal amount of a loan through FSFL is \$500,000. Participants are required to provide a minimum down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. If a participant provides 20% or greater down payment, then the requirement for a severance agreement for loans under \$50,000 will be waived. Loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term may be different and are based on the rate which CCC borrows from the Treasury Department. Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount not to exceed \$250,000. Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. A FSFL must be approved before any site preparation or construction can begin. The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- Pulse crops - lentils, small chickpeas and dry peas
- Hay
- Renewable biomass
- Fruits (including nuts) and vegetables - cold storage facilities
- Honey

### **Preventing Fraud**

The Farm Service Agency supports the Risk Management Agency in the prevention of fraud, waste and abuse of the Federal Crop Insurance Program. FSA has, and will continue, to assist RMA and insurance providers by monitoring crop conditions throughout the growing season. FSA will continue to refer all suspected cases of fraud, waste and abuse directly to RMA.

### **Farm Loan Programs**

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, or regularly borrow from FSA, direct and guaranteed loans are currently available. Ask your lender about an FSA loan guarantee if you've had a setback and your lender is reluctant to extend or renew your loan. Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,119,000. Producers are encouraged to apply early so that a loan can be processed and funded in a timely manner.

### **Rural Youth Loans**

FSA makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5,000.

### **Beginning Farmer & Ranchers**

FSA assists beginning farmers and ranchers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in any loan assessment and borrower training program in production and/or financial management required by the Agency
- Does not own farm acreage greater than 30 % of the median size farm in the county.

### **Loans for the Socially Disadvantaged**

FSA has loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches. While all qualified producers are eligible to apply for these loan programs, the FSA has provided targeted funding for members of socially disadvantaged groups. A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of a group. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

### **USDA Reminds Producers to File Adjusted Gross Income Consent Forms with the IRS**

In order to receive USDA program payments, each payment recipient must have an Adjusted Gross Income (AGI) verification consent form on file with the Internal Revenue Service (IRS). The consent form authorizes IRS to verify for FSA whether a payment recipient's AGI meets the eligibility requirements for FSA programs. The form became a requirement for payment eligibility beginning with the 2009 crop year, however many program participants have not complied with this requirement. IRS and USDA reports show that, nationwide, FSA is still missing the required consent forms from many producers for 2009 and 2010. To avoid an interruption of program payments, producers must turn these forms in to the IRS immediately if they have not done so already. Individuals must submit form CCC-927 and legal entities must submit form CCC-928. Without these forms on file, producers will not receive USDA program payments and payments already received will need to be refunded. These consent forms are required for payments received from the Natural Resources Conservation Service (NRCS) as well as those received through FSA. Completed forms must be returned to the IRS.

### **Actively Engaged**

USDA has amended the rules that govern the requirements to be 'actively engaged' in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE) program administered by FSA. Normally, the stockholder or a member of a legal entity **must** make contributions of active personal labor and/or active personal management for the farming operation. The contributions are to be performed on regular basis, must be identifiable, and separate from the contributions of others. The exception to this rule for a stockholder or member of a legal entity only occurs when both of the following apply:

- At least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management; and
- The total direct payment received by the legal entity and each of the members doesn't exceed \$40,000.

### **CRP Managed Haying / Grazing**

Certain CRP contracts may be eligible to be hayed or grazed under managed haying and grazing provisions of the contract's conservation plan. Managed haying and grazing is allowed once every three years on the same acreage. In 2011, any CRP hayed or grazed in 2009 or 2010 would not be eligible. Eligible CRP practices include CP-1, CP-2 and CP-10. CRP participants interested in haying or grazing their CRP must do the following:

- Request prior approval
- Obtain a modified conservation plan
- Once completed, must report actual acres grazed or hayed and the yield
- Pay a fee of 25% of the per acre rate of the CRP contract on acres actually hayed or grazed

Haying and grazing is approved from July 16<sup>th</sup> through September 30. Contact the FSA office for more details or to request acres to be released.

### **Expiring CRP Contracts**

You may be aware that FSA has recently had two general CRP sign ups. These were the first general CRP sign ups FSA has offered since 2006. Both of these sign ups allowed producers who had contracts that were going to expire that year on September 30th, to re-offer their acres. It is assumed that this same process will continue each year, allowing producers of expiring contracts to re-offer them via a general sign up. Again, this is only an assumption, **a sign up or an official plan has not been announced.**

During the last two general sign ups, our office has found numerous expiring CRP farms that had tree and gully issues. For your CRP acreage to be eligible to be offered if/when a sign up does become available, it must meet all CRP eligibility criteria. **Trees and gullies will not be eligible.** Per paragraph 151 of Handbook 2-CRP, for land to be considered as eligible to be offered into CRP it must "be physically capable of being planted in a normal manner to an agricultural commodity." The Holt County Committee does not consider CRP acreage with tree and gully issues as being physically capable of being planted in a normal manner and as such will deem those acres ineligible to be re-offered.

Producers who have contracts that will expire in the next few years are encouraged to begin to evaluate your acreage now for potential issues. If you have trees and/or gullies, you should address them as soon as possible. The acreage must be "openly croplable" at the time of re-offer or it will not be eligible.

### **IN LOVING MEMORY OF JACKIE VANGUNDY, CED**

On July 12<sup>th</sup>, 2011 we were given the devastating news that our County Executive Director, Jackie VanGundy, had passed away. Jackie transferred to the Holt County FSA Office in 2005. While serving as the County Executive Director Jackie worked hard at assisting landowners, operators, and other agencies. She was very thankful for the beautiful friends that she met through the years and for being given the opportunity to spend time with such wonderful people. Not only was she an outstanding supervisor but she was also a loving mother and friend. Jackie touched many lives and will be greatly missed.

### **Do You Receive FSA eAlerts?**

Missouri FSA introduces FSA eAlerts—a new way to receive FSA program reminders via e-mail or text. You can sign up for eAlerts at your County Office and choose whether you would like to receive information via e-mail, text or both. If you elect to receive information by text, remember standard text messaging rates apply. Consult with your cellular carrier to discuss your text plan details. You can opt out of receiving FSA eAlerts at any time.

### **Dates to Remember**

|          |  |
|----------|--|
| Sept. 1  | 2010 ACRE production certification deadline.                         |
| Sept. 5  | Labor Day – USDA Service Center Closed                               |
| Sept. 30 | NAP sales closing date for strawberries and fall-seeded small grains |

### **Selected Interest Rates for August 2011**

|   |        |
|---|--------|
| Farm Operating Loans — Direct   | 2.125% |
| Farm Ownership Loans — Direct   | 4.625% |
| Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher | 1.50%  |
| Emergency Loans   | 3.75%  |
| Farm Storage Facility Loans 7-yr.                                       | 2.25%  |
| Farm Storage Facility Loans 10-yr.                                      | 3.00%  |
| Farm Storage Facility Loans 12-yr.                                      | 3.375% |
| Commodity Loans 1996-Present  | 1.125% |

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